THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) Yes, some small scale industries are lying closed in the country, including some in Delhi and UP. Information on closed units is not maintained centrally.

(b) The main reasons for closure/sickness are inadequacy of credit, technological obsolescene, marketing problems, managerial inadequacies etc.

(c) and (d) The Government is fully seized of the incidence of industrial sickness among SSI units and has taken various measures to facilitate timely identification and rehabilitation of potentially viable sick units, which *inter-alia* include institutional mechanism in the form of State-level Inter-Institutional Committees (SLITCs), Special Rehabilitation Cells in banks and State Financial Institutions and elaborate guidelines issued by the RBI for extending rehabilitation assistance to eligible units.

Based on the recommendations of the Working Group constituted under the Chairmanship of Shri S.S. Kohli, the RBI has drawn up revised guidelines for rehabilitation of sick SSI units, which include *inter-alia* change in the definiation of sick SSI units, norms for deciding on their viability, etc., The RBI has circulated the revised guidelines on 16th January, 2002 to all the Banks for implementation.

Suggestion of MCCI in respect of SSIs

2354. SHRI P.K. MAHESHWARI: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether her Ministry has received a memorandum from Mahakoshal Chamber of Commerce and Industry which has suggested that sick Small Scale Industries be provided rehabilitation rather than taking legal action to recover NPAs;

(b) if so, her Ministry's response thereto;

(c) whether the chamber has demanded five year exemption from Excise and customs studies for Small Scale Industries; and

(d) whether her Ministry is taking any steps to take it up with CBEC?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) and (b) Yes, Sir, Based on the recommendations of the Working Group set up under the chairmanship of Shri S.S. Kohli, the Reserve Bank of India (RBI) has issued the revised guidelines for rehabilitation of sick SSI units on 16th January, 2002 to all the Scheduled Commercial Banks for implementation *inter-alia* advising them to take a sympathetic attitude and strive for rehabilitation, in respect of sick units in the SSI sector, particularly whereever the sickness is on account of circumstances beyond the control of the entrepreneurs.

(c) and (d) Yes, Sir. Representations from Industry Associations suggesting measures for improvement of SSI sector including those relating to changes in Excise and Customs duties is a regular feature. This Ministry examines them and taken them up with concerned Ministries/Departments including Ministry of Finance & Company Affairs and Central Board of Excise & Customs (CBEC). Further, in pursuance of the Comprehensive Policy Package for the SSI Sector announced by the Hon'ble Prime Minister on 30.8.2000, the Ministry of Finance & Company Affairs enhanced the General SSI Excise Exemption limit from Rs. 50 Lakhs to Rs. 1 crore with effect from 01.09.2000 and reduced the basis customs duty on various parts and components aimed at rationalization of duty structure.

Closure of SSIs in Tamil Nadu

2355. SHRI P.G. NARAYANAN: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) the number of Small Scale Industries closed down in Tamil Nadu during the last three years;

(b) the reasons for their closure; and

(c) the efforts made and the steps taken by Government to revive these units before their closure?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) The information on closed units is not maintained centrally. However, the